

## FEDERAL ELECTION COMMISSION WASHINGTON, D.C. 20463

November 5, 2008

Jan Churchill, Treasurer Nevada State Democratic Party 409 Horn Street Las Vegas, NV 89107

Response Due Date: December 8, 2008

Identification Number: C00208991

Reference:

12-Day Pre-General Report (10/1/08-10/15/08)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. Failure to adequately respond by the response date noted above could result in an audit or enforcement action. Additional information is needed for the following 5 items:

Schedule A of your report (see attached) discloses one or more contributions which appear to exceed the limits set forth in the Act. 2 U.S.C. §441a(f) prohibits a state, district or local party committee (combined) from accepting contributions from a person in excess of \$10,000 per calendar year. For your information, a partnership is included in the definition of "person" under 2 U.S.C. §431(11).

If any apparently excessive contribution in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information.

If any contribution you received exceeds the limits, you may have to refund the excessive amount. The funds can be retained if within 60 days of receipt you (1) transferred the excessive amount to an account not used to influence federal elections, and (2) provided written notice to the person making the contribution of the option of receiving a refund. Any request from a donor for a refund must be honored.

If the foregoing conditions for transfers to a non-federal account were not met within 60 days of receipt, the excessive amount must be refunded.

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Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for any transfer-out or refund. In addition, any transfers-out or refunds should be disclosed on Schedule B supporting Line 22 or 28 of the report during which the transaction was made.

Although the Commission may take further legal action regarding the acceptance of an excessive contribution(s), your prompt transfer-out or refund of the excessive amount will be taken into consideration.

- 2. Schedule A supporting Line 11(a)(i) of your report discloses \$38,468.17 in activity identified as MEMO entries that do not appear to correspond with any itemized transaction(s). Please be advised, a memo entry is used to disclose additional information about an itemized transaction and the amount of a memo entry is <u>not</u> included in the total receipts or disbursements for the report. Please amend your report to provide clarifying information regarding this activity.
- 3. Schedule A supporting Line 12 discloses a transfer(s)-in from the "Democratic Congressional Campaign Committee" and "Democratic National Committee". Schedule(s) B supporting Line 30(b) reflects payments for "Volunteer exemept mailpiece" and "Volunteer exempt mailpiece". Please be advised that a state or local party committee may pay for campaign materials (such as bumper stickers, pins and yard signs) that are distributed by volunteers in connection with activity on behalf of the party's nominees in a general election and voter drive activity on behalf of the party's Presidential and Vice Presidential nominees. Payments for this type of activity are exempt from the definition of a contribution or expenditure if certain conditions are met. The conditions are that no public advertising may be used, including distribution by direct mail (mailings by a commercial vendor or from commercial lists); all funds used for the activity must be permitted under the Act; none of the funds used may have been designated for a particular candidate; and finally, payments for the activity may not be made from transfers-in from the national committee to specifically fund the activity. For further guidance, please refer to 11 CFR §§100.87 and 100.147 and to the Campaign Guide for Party Committees.

Please clarify the nature of the transfer(s)-in and subsequent payments for the aforementioned disbursement(s). If the activity disclosed on your report does not meet the definition of "exempt" activity as described above, any portion of the expenditures made on behalf of specifically identified candidates must be disclosed on Schedule B, E or F supporting Line 23 or 30(b), 24 or 25 of the Detailed Summary Page as appropriate.

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- 4. Please amend your report by providing the purpose for each disbursement itemized on Schedule(s) H4 supporting Line(s) 21(a).
- 5. Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule(s) H4 of your report to clarify the following description(s): "Political consulting fee." For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).
- -Your report disclosed a category of financial activity that has been reflected on the wrong line of the Detailed Summary Page. Contributions from other Political Action Committees should be properly disclosed on a separate Schedule A, supporting Line 11(c) of the Detailed Summary Page. Please refer to the instructions for each line when determining the proper categorization(s) for your next filing.

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. Requests for extensions of time in which to respond will not be considered.

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1141.

Sincerely,

Daniel T. Buckley

Senior Campaign Finance Analyst

Reports Analysis Division

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Contributor Name	Date	Amount	Report
Bernstein Liebhard & Lifshitz, LLP	10/08/2008	\$20,000.00	2008 12-Day Pre-General

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